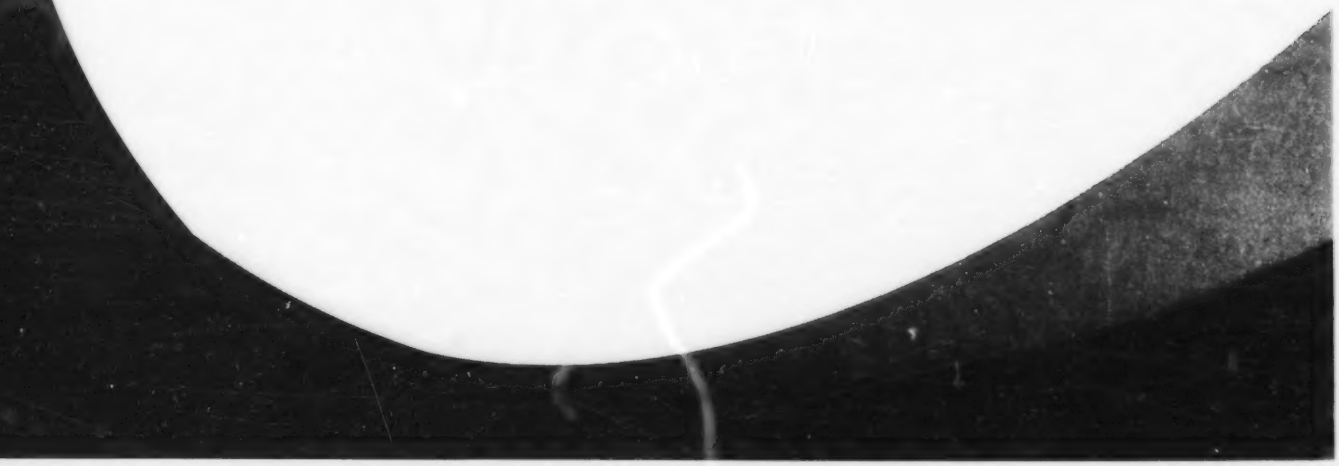
Saskatchewan
Agriculture
and Food

2000
Annual Report

Saskatchewan
Agri-Food Council



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LETTERS OF TRANSMITTAL

MESSAGE FROM THE MINISTER

To Her Honour
The Honourable Lynda Haverstock
Lieutenant Governor of the Province of Saskatchewan

Madam:

The Saskatchewan Agri-Food Council, and the ten producer-run boards and commissions dedicated to the growth of their respective sectors, continue to work towards expanding and strengthening their industries.

These producer groups continue to position their respective sectors for long-term sustainability and growth. They engage in important marketing, research and development activities, they strengthen the knowledge and skill base of their producers and they work together to address a range of diverse challenges related to the promotion, development and orderly marketing of agriculture and food products in Saskatchewan.

Agriculture and food production in our province has accounted for much of the economic activity in Saskatchewan. Just as agriculture has sustained us in the past, it will continue to contribute to the economy of the province and the well being of rural communities, creating economic and employment opportunities, and prosperity for the people of Saskatchewan.

I am pleased to submit the 2000 Annual Report of the Saskatchewan Agri-Food Council.

Respectfully submitted,

Clay Serby

Clay Serby
Deputy Premier
Minister of Agriculture and Food

LETTER FROM THE COUNCIL CHAIRPERSON

Honourable Clay Serby, Deputy Premier
Minister of Agriculture and Food
Legislature of Saskatchewan

Dear Minister Serby:

It has been a privilege for the Saskatchewan Agri-Food Council to work with and support the initiatives of the ten producer-run boards and commissions operating under The Agri-Food Act.

In fulfilling its regulatory and advisory role, the Saskatchewan Agri-Food Council has come to respect and value the contributions of Saskatchewan's marketing and development agencies in advancing our agriculture and food industry, strengthening the economic base of our province, and providing consumers with top quality agri-food products.

I have discussed this report with the previous Council and it accurately reflects their work last year. In accordance with section 21 of The Agri-Food Act, I submit herewith the Annual Report of the Saskatchewan Agri-Food Council for 2000.

Respectfully submitted,

Garf Stevenson

Garf Stevenson, Chairperson 2001

SASKATCHEWAN AGRI-FOOD COUNCIL

Established in 1990, the Agri-Food Council regulates and monitors the activities of marketing and development agencies in accordance with The Agri-Food Act. The Council plays both a regulatory and an advisory role.

Producer-run boards and commissions, which collect voluntary and mandatory levies used for research, development and marketing initiatives, are governed by this Act.

The Council enforces compliance with all the terms and conditions of The Agri-Food Act, advises and updates Saskatchewan Agriculture and Food Minister on the operation and administration of boards, commissions and other agencies governed by the Act, and makes recommendations to the Minister.

As part of its regulatory role, the Council reviews proposed marketing and development plans, determines whether public meetings or hearings should be called in respect to the proposed plan, conducts producer votes, and acts under the authority of the Lieutenant Governor in Council or the Minister to amend or terminate such plans. The Council also approves all marketing board orders to ensure compliance with the Act.

The Council also investigates and mediates complaints or disputes concerning the actions of boards and commissions.

As an advisor, the Council works with producer groups interested in establishing a development or marketing agency and consults with agencies on issues relating to federal-provincial marketing agreements.

In all its activities, the Council is guided by the following basic values and principles:

- **leadership in developing and supporting competitive agriculture and food industries;**
- **open, fair and decisive undertakings under the authority of the Act;**
- **accountability for actions affecting the public interest;**
- **positive communication and consultation amongst participants;**
- **compliance with orders and regulations under the Act; and**
- **active development of opportunities to fulfill Saskatchewan's agricultural and food production and marketing potential.**

The Saskatchewan Agri-Food Council is currently responsible for monitoring 10 Saskatchewan agencies, including:

- Saskatchewan Alfalfa Seed Producers Development Commission;
- Saskatchewan Broiler Hatching Egg Producers' Marketing Board;
- Saskatchewan Canola Development Commission;
- Chicken Farmers of Saskatchewan;
- Saskatchewan Egg Producers;
- Saskatchewan Flax Development Commission;
- Sask Pork;
- Saskatchewan Pulse Growers;
- Saskatchewan Sheep Development Board; and the
- Saskatchewan Turkey Producers' Marketing Board.

The mission of the Agri-Food Council is:

- *to provide leadership;*
- *to ensure open and responsible operation of agencies established under the Act; and*
- *to regulate, promote and develop the marketing of agricultural and food products.*

2000 In Review

Highlights

In 2000, the Agri-Food Council continued to carry out its mandate to supervise the activities and administration of boards and commissions operating under The Agri-Food Act, on behalf of the Minister of Agriculture and Food.

The boards and commissions were successful in improving the standard of financial reporting recommended by Saskatchewan Agriculture and Food and the Provincial Auditor in 1998. While 1998 compliance was poor at 48 per cent, compliance levels increased to 66 per cent in 1999. Overall compliance in 2000 increased to 82 per cent. The Council expects further improved levels of compliance in 2001.

Most development and marketing boards and development commissions met their obligations under The Agri-Food Act during 2000.

The Chicken Farmers of Saskatchewan and The Saskatchewan Broiler Hatching Egg Producers' Marketing Board failed to meet their obligations. The Minister of Agriculture and Food assumed the powers of both boards in May 2000 and subsequently appointed an administrator to manage them until further notice. Both boards remained under the Minister's care at the end of 2000.

Progress was made on drafting an updated Federal-Provincial Agreement for Chicken Markets in Canada.

The Agri-Food Council continued to monitor Saskatchewan's poultry industry performance under national marketing systems. As national marketing agencies adjust operations to better serve the marketplace, the Council will continue to participate with other provinces to ensure revisions to each of the poultry federal provincial agreements.

In 2000, Sask Pork appointed an advisory committee and consultant to review the board's governance structure. The recommended amendments were accepted at the semi-annual meeting of delegates in November.

Over the course of the year, the Agri-Food Council held six board meetings and conducted an additional eight tele-conference meetings.

Report of Activities

Supervision of Boards and Commissions

As part of its responsibility to supervise boards and commissions under The Agri-Food Act, the Agri-Food Council reviewed the minutes of regular and annual meetings of boards and commissions, as well as all annual reports and financial statements.

In addition, Council members and staff attended various meetings of boards and commissions and reported back to the Agri-Food Council. The Council was represented at special and annual meetings of all 10 agencies over the course of the year. Council also held joint meetings with representatives of the Chicken Farmers of Saskatchewan, Saskatchewan Broiler Hatching Egg Producers Marketing Board, Sask Pork, Saskatchewan Pulse Growers, Saskatchewan Egg Producers, and Saskatchewan Sheep Development Board.

Officials of the Agri-Food Council attended a meeting of the National Association of Agri-Food Supervisory Agencies held in conjunction with annual meetings of the four national poultry marketing agencies. The Council also represented Saskatchewan's interests at meetings of national marketing agencies.

Marketing Plan Reviews

No new marketing plans were submitted to the Agri-Food Council for its review during 2000. However, the Council reviewed changes to marketing and development plans to ensure they accurately reflected the needs, operations and activities of agencies established under the Act.

Regulations submitted for review included:

- Saskatchewan Chicken Marketing Plan Regulations;
- the Saskatchewan Broiler Hatching Egg Producers Marketing Plan Regulations;
- the Saskatchewan Flax Development Plan Regulations;
- the Saskatchewan Canola Development Plan Regulations;
- the Saskatchewan Pulse Crop Development Plan Regulations; and
- the Pork Industry Development Plan Regulations.

The following marketing plans were amended in 2000.

Saskatchewan Chicken Marketing Plan

In 1998, the Chicken Farmers of Saskatchewan (CFS) negotiated a doubling of its annual quota, from approximately 16 million kilograms eviscerated weight to approximately 32 million kilograms eviscerated weight. In 1999, CFS and the Agri-Food Council negotiated a Memorandum of Understanding that allowed for the orderly implementation of this doubling.

In order for the doubling to occur in an orderly fashion, the regulations required amendment. Some of the major changes to the regulations included:

- allowing for quota rights to have a value;
- auctions to allocate quota rights;
- allowing the ability to buy, sell, rent, lease quota rights;
- the establishment of investment and development funds; and
- the establishment of a maximum term for board members.

Saskatchewan Broiler Hatching Egg Producers Marketing Plan

In 1999, the Saskatchewan Broiler Hatching Egg Producers (BHE) reached an agreement with the Chicken Farmers of Saskatchewan which was intended to provide CFS producers with a better quality chick, and thus a better quality product for the consumer. This agreement included a plan to convert six broiler hatching egg producers to broiler producers.

For this agreement to be implemented, amendments were required to BHE regulations. Specific amendments included the removal of subsection 21(6) that specified that quota may only be transferred if the board was satisfied that there was no value attached to the quota and the addition of section 21.1 that defined the conversion agreement with the Chicken Farmers of Saskatchewan.

Saskatchewan Canola Development Plan Regulations

In 1999, the Provincial Auditor of Saskatchewan cited the Saskatchewan Canola Development Commission for acting outside of its authority by establishing Canodev, a research and development agency intended to receive research tax credits for the research it performed. In 2000, the commission's regulations were amended to allow for the development and ownership of such organizations.

The Agri-Food Act Regulations

In 2000, *The Agri-Food Act Regulations* were amended to allow chicken producers to sell, lease or otherwise transfer quota rights. The regulations were also amended to allow for the Broiler Hatching Egg Producers and the Chicken Farmers of Saskatchewan to make the changes required to allow for accelerated growth in their industry.

The Saskatchewan Pulse Crop Development Plan Regulations

In June 2000, *The Saskatchewan Pulse Crop Development Plan Regulations* were amended with two objectives: to expand the definition of pulses to include peas, beans, fababeans, chickpeas, broad beans, lentils, soybeans, cowpeas, pigeon peas, lupins, vetches or lathyrus; and to redefine the process of producer-to-producer sales.

Expanding the definition of a pulse crop allows the board to invest in the development of an increasing number of pulse crops that may be of economic benefit to Saskatchewan producers. Redefining the check-off collection procedure for producer-to-producer sales allows the board to better ensure that all check-off dollars are collected and remitted.

Orders of Boards and Commissions

Marketing boards and commissions exercise certain powers granted to them by their marketing and development plans through marketing orders. These orders require Council approval.

Council reviewed and approved the following orders in 2000.

Saskatchewan Broiler Hatching Egg Producers

Order #23/00: Quota Allocation
Purpose: This order modified the basis on which broiler hatching egg quota would be allocated in Saskatchewan.

Order #24/00: Operating Fees
Purpose: This order was amended to add a provision requiring payment of interest charges on outstanding operating fees.

Order # 25/00: Licensing
Purpose: This order clarified provisions relating to notification procedures when licenses are suspended or cancelled.

Order #26/00: Allocation Adjustment and Permits
Purpose: This order clarified that allocations to producers would be decreased on an equal percentage basis to all producers in the event of a reduction in provincial demand.

Chicken Farmers of Saskatchewan

On July 11, 2000, Order 435/2000 was approved by Cabinet, making amendments to the *Saskatchewan Chicken Marketing Plan Regulations* to ensure the implementation of a Memorandum of Understanding between the Agri-Food Council and the Chicken Farmers of Saskatchewan. The purpose of the memorandum was to establish a funding structure for producer investments considered essential for industry growth and development. In order for the regulations to be effectively implemented, the orders were rewritten.

The following orders were approved by Council on August 31, 2000:

Order #1/00: Definition of Terms
Order #2/00: Exemptions
Order #3/00: Licensing
Order #4/00: Base Quota Limits
Order #10/00: Statistics and Reports
Order #11/00: Quota Suspension
Order #12/00: Chicken Farmers of Canada Levies
Order #13/00: Out of Province Marketings
Order #14/00: Producer Minimum Prices
Order #16/00: Operation Fees and Service Charges
Order #17/00: Stand-downs
Order #19/00: Underproduction Catch-up
Order #20/00: Guidelines/Policies
Order #21/00: Production Efficiency Zones

The following orders were approved by Council on September 12, 2000:

Order #5/00: Quota Allocations
Order #6/00: Base Quota Adjustments
Order #8/00: Transfers
Order #9/00: Base Quota Leasing
Order #15/00: Quota Interest List
Order #18/00: Overproduction Charges
Order #22/00: Revoking Orders Prior to 2000

The following order was approved on September 20, 2000:

Order #7/00: Base Quota Auctions

The Saskatchewan Pulse Crop Development Board

Order #6/00: Levy Collection
Purpose: This order clarified that levies were allowed to be collected on pulses sold for seed in Saskatchewan.

Appeals Under The Agri-Food Act

The Agri-Food Act allows any person aggrieved by a decision of a board or commission to appeal the matter to an appeal committee appointed by the Minister of Agriculture and Food. The Agri-Food Act Appeal Committee hears the arguments of parties involved and makes a ruling on the appeal. The membership of the Appeal Committee in 2000 consisted of members of the Saskatchewan Agri-Food Council.

In 2000, the Agri-Food Act Appeal Committee heard seven appeals:

March 27, 2000

Tim Keet vs. the Chicken Farmers of Saskatchewan

Dennis Keet vs. the Chicken Farmers of Saskatchewan

George Murray vs. the Chicken Farmers of Saskatchewan

In 1999, the Chicken Farmers of Saskatchewan and the Saskatchewan Broiler Hatching Egg Producers Marketing Board reached an agreement to convert six broiler hatching egg producers to broiler producers. The conversion was to create a higher quality hatching egg and, in return, a better quality chick. The appellants had begun renovating their barns and preparing to begin operations as broiler producers when on January 4, 2000, the Chicken Farmers of Saskatchewan board cancelled the agreement without notice. The appellants believed that the last minute decision was not done in good faith and caused harm to their operations. The Agri-Food Act Appeal Committee agreed with the position of the appellants, ruling in their favour and ordering CFS to immediately issue permits to these producers.

April 24, 2000

James Glen vs. the Saskatchewan Broiler Hatching Egg Producers' Marketing Board

Ron Dubois vs. the Saskatchewan Broiler Hatching Egg Producers' Marketing Board

James Glen (owner of Pedigree Poultry) and Ron Dubois (owner of R & D Poultry) are hatching egg producers in Saskatchewan. In 2000, the board of directors of the Saskatchewan Broiler Hatching Egg Producers' Marketing Board refused to issue the annual production licenses to these producers, delaying production and causing financial harm to the operations, argued the appellants. The board argued that the appellants had failed to fill out their applications properly and had failed to pay their bill for the check-off and until these issues were resolved, the appellants would not receive their licenses.

Upon reviewing the information provided, the Agri-Food Act Appeal Committee determined that the two operations had fulfilled their obligations to the board and ordered the Saskatchewan Broiler Hatching Egg Producers Marketing Board to immediately issue the licenses to both operations. The Board, in spite of the ruling, refused to issue the licenses; it was not until June, after the Minister of Agriculture and Food appointed an independent administrator that the 2000 licenses were issued.

June 5, 2000

Jim Armstrong vs. the Chicken Farmers of Saskatchewan

In May of 2000, Jim Armstrong appealed against the actions of Chicken Farmers of Saskatchewan to develop an auction system for the distribution of quota rights. Armstrong had been on the quota waiting list since July of 1982. He argued that converting to an auction system disadvantaged him and others on the quota waiting list as quota had previously been considered to have no value. He argued that by developing a quota auction system, the board disadvantaged those who had been waiting for quota for a number of years.

The Agri-Food Act Appeal Committee determined that the appeal had been filed outside of the time period allowed under regulation and ordered the Chicken Farmers of Saskatchewan decision to stand. The Committee also ordered that auctions were to proceed as planned.

August 31, 2000

Brad Pavlove vs. the Chicken Farmers of Saskatchewan

In July of 2000, Brad Pavlove filed an appeal against the actions of the Chicken Farmers of Saskatchewan. Pavlove was appealing the fact that Chicken Farmers of Saskatchewan closed the first auction of 110,000 quota units to those on the quota waiting list as of July 6, 1999. The board argued that it was following the agreement described in the Memorandum of Understanding, signed on December 31, 1999 by the Chicken Farmers of Saskatchewan and the Agri-Food Council. Pavlove argued that closing the first auction of chicken quota to those people was discriminatory and that he, among others wishing to become chicken producers, were being unfairly discriminated against.

Upon reviewing the evidence presented, the Agri-Food Act Appeal Committee ruled in favour of the Chicken Farmers of Saskatchewan, noting that the Memorandum of Understanding clearly stated how the auctions were to proceed.

2000
Saskatchewan Agri-Food Council

Members

Jim Long, Chairperson, Chairperson, Lloydminster

Dr. Murray Fulton, Vice-Chairperson, Saskatoon

Harold Greyeyes, North Battleford

Raymond Riviere, Radville

Staff

Roydon G. White, Secretary
Brian Machin, Associate-Secretary

Council Office

Room 329
Walter Scott Building
3085 Albert Street
Regina, Saskatchewan
S4S 0B1

Phone: (306) 787-5952
Fax: (306) 787-0271
Email: rwhite@agr.gov.sk.ca
bmachin@arg.gov.sk.ca

1999-2000 Reports of Provincial Agency Operations

The Provincial Auditor, in conjunction with Saskatchewan Agriculture and Food, has requested that all organizations reporting to the Agri-Food Council include specific financial documents in their annual report. Requirements include an audit report on financial statements, an audit report on rules and procedures to control assets, an audit report on compliance with authorities, a comparison of actual results to planned results and a list of payees.

Saskatchewan Alfalfa Seed Producers Development Commission

107 Science Place, Saskatoon SK S7N 0X2
Phone: (306) 956-7275
Fax: (306) 956-7247

The Commission's Mission

The Saskatchewan Alfalfa Seed Producers Development Commission was established on July 24, 1997. The general purpose of the Commission is to provide for the orderly and effective development of the alfalfa seed industry in Saskatchewan.

Specific purposes of the Commission are:

- to promote and develop the alfalfa seed and alfalfa leafcutting bee industries in Saskatchewan;
- to develop procedures to maximize returns to producers;
- to encourage the production of a uniform high-quality product;
- to gather, compile, and distribute information related to the production of alfalfa seed and the management of alfalfa leafcutting bees;
- to conduct and encourage research on the production of alfalfa seed and the management of alfalfa leafcutting bees;
- to promote and improve understanding among individuals and organizations within the alfalfa seed and alfalfa leafcutting bee industries;
- to establish a system of levies on alfalfa seed crops for carrying out the purposes of the Commission; and
- to represent and lobby on behalf of registered producers in matters relating to the development of the alfalfa seed and alfalfa leafcutting bee industries.

Industry Issues

The key issue in 1999-2000 was low alfalfa seed price, a result of short-term over-supply in North American alfalfa seed markets.

Alfalfa Seed Production

Alfalfa seed production in the province has expanded rapidly over the past several years to the current level of approximately 100,000 acres, representing 75 per cent of the alfalfa seed acreage in Canada. The estimated value of Saskatchewan alfalfa seed production is $17.5 million annually – based on an average yield of 175 pounds per acre and an average price of $1.00 per pound. Reductions in alfalfa seed production over the past two field seasons and current low alfalfa seed prices are having a short-term impact on the value of alfalfa seed.

The alfalfa leafcutting bee is an important pollinator of alfalfa for seed production. Alfalfa leafcutting bee populations, estimated at 20,000 bees per acre, have grown to a total of approximately two billion. Under ideal conditions, this population doubles each year with the excess production marketed primarily to alfalfa seed growers in the United States (at a value of about $10 million each year).

Administration and Finance

The Commission's system of internal control, legislative compliance and financial systems is examined annually by Hergott Duval Stack & Partners. The board of directors is responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records and preparing financial statements.

During the 1999-2000 fiscal year, the Commission received $90,731 in check-off and refunded $8,509, or approximately 9.4 per cent. This is an increase in levy refunds from approximately 5.5 per cent last year. In accordance with the Commission's regulations and orders, the check-off is $0.0075 per pound of alfalfa seed marketed. Producers may request a refund of any or all of the check-off paid.

Wayne Goerzen currently manages the Commission on a voluntary basis. The levy is collected and recorded by a third party with a system of checks and balances to ensure accuracy.

Check-offs

The check-off rate for the 1999-2000 fiscal year was $0.0075 per pound, unchanged from last year. There were approximately 500 producers registered with the Commission in 2000.

Check-off Revenue

	1999/2000	1998/1999	1997/1998
Check-off revenue	$90,731	$113,057	$99,093
Refunds	8,509	6,187	16,089
Total	**$82,222**	**$106,870**	**$83,004**

Research Projects

The Commission invested $47,156 in research projects in 1999-2000. As the industry is small, the Commission has limited funding. As such, it must evaluate the most economical means of funding research and identify methods to achieve the greatest leverage for its research dollars. The Commission was successful in developing this leverage as funding from various funds allowed it to provide between two and three dollars of leverage for every dollar invested.

Research Project

	Value
Alfalfa seed value-added project	$15,625
On farm soil fertility project	5,281
Soil fertility research project	25,000
Alfalfa seed decontamination project	1,250
Total	**$47,156**

Financial Status

The Commission was successful in meeting all of the financial reporting requirements of the Provincial Auditor and Saskatchewan Agriculture and Food during the 1999-2000 fiscal year.

1999-2000 Board of Directors

Bill Weighill, Chairperson, Carrot River
Sheldon Dowling, Vice Chairperson, Prince Albert
Ernest Holinaty, Porcupine Plain
David Kushniruk, Melville
Clem Lalonde, Zenon Park
Gaylord Mierau, Langham

Wayne Goerzen, Executive Director

Outlook for 2001

The Commission is expecting the following issues to surface over the next 12 months:

- short-term low prices;
- approximately 100,000 acres of alfalfa seed grown in Saskatchewan; and
- population of alfalfa leafcutting bees in Saskatchewan remaining at two billion.

Summary of Financial Operations for the Year Ending July 31, 2000

		Budget 2000	Actual 2000	Actual 1999
Revenue				
	Levies	$75,000	$90,731	$113,057
	Interest	0	3,842	43
Total		**$75,000**	**$94,573**	**$113,100**
Expenses				
	Administration	$10,000	$7,471	$10,899
	Director Meetings	5,000	3,922	3,697
	Levy Refunds	0	8,509	6,187
	Other	0	0	0
Total		**$15,000**	**$19,902**	**$20,783**
Assets available for Research and Development				
	Research and Development	$60,625	$47,156	$49,872
	Market Development	0	0	0
	Extension	0	0	**0**
	Unallocated Surplus	(625)	27,515	42,445
Total		**$60,000**	**$74,671**	**$92,317**

The Saskatchewan Broiler Hatching Egg Producers' Marketing Board

General Delivery, Luseland, SK S0K 4L0
Phone: (306) 834-5082
Fax: (306) 834-5183

The Board's Vision

The Saskatchewan Broiler Hatching Egg Producers' Marketing Board contributes to a globally competitive industry by fostering a profitable and innovative environment for production of (top) quality hatching eggs.

Industry Issues

Key issues in 2000:

- inter-industry conflict;
- transfer of board powers to a Government-appointed administrator to ensure industry expansion plans were met;
- transfer of broiler hatching egg producers to the broiler industry;
- a review of methods to improve the allocation process for expansion quota;
- financial obligations related to quota conversions; and
- the pace of quota expansion.

Broiler Hatching Egg Production

There were 14 licensed producers at the end of 2000, representing 158,500 quota units. During 2000, one producer entered the industry, one farm split into two units and two transferred from broiler hatching egg to broiler production. During 2001, one producer is scheduled to leave the industry in return for a cash settlement and two others are scheduled to transfer to broiler production.

1995 - 2000 Distribution of Quota Holders

Number of layers	2000	1999	1998	1997	1996	1995
0 - 2,999	2	3	3	3	3	3
3,000 - 4,999	1	1	1	1	1	1
5,000 - 6,999	1	1	2	2	2	2
7,000 - 9,999	3	4	5	5	5	5
10,000 - 17,999	4	3	1	1	1	1
18,000 - 28,499	3	1	1	1	1	1
28,500 +	0	1	1	1	1	1
Total Producers	14	14	14	14	14	14

With growth in Saskatchewan's broiler industry, hatching egg producers have a good opportunity to increase production. Growth has been realized in the past three years and is expected to increase by approximately 33 per cent in the next year over 2000 numbers.

Year	Number of Eggs Set	Increase (Decrease) from previous year	Percentage change from previous year
2000	15,453,540	678,596	4.59%
1999	14,774,944	1,798,894	12.176%
1998	12,975,960	1,361,641	10.494%
1997	11,614,319	(424,449)	(3.655%)
1996	12,038,768	(656,231)	(5.054%)
1995	12,694,999	N/A	N/A

The Broiler Hatching Egg Producers' Marketing Board reached an agreement with the Chicken Farmers of Saskatchewan (CFS) that would see some producers exit that industry and begin as broiler producers under permit of the CFS. This agreement had the Board accept 51,000 quota units, remove four of its producers from production and transfer two producers into CFS production. The two producers accepting CFS quota will begin production in 2001. The financial liability for the 51,000 quota rights is the responsibility of the Broiler Hatching Egg Producers' Marketing Board.

Administration and Finance

The Board's system of internal control, legislative compliance and financial systems is examined annually by Curtis Hepting, CMA. The board's directors are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records and preparing financial statements.

During the 2000 fiscal year, the board collected $69,738 in check-offs – an increase of approximately 267 per cent over 1999 revenues. The increase in check-off collection is due to an increase in the levy from $0.25 per layer to $.060 per layer and an increase in production. The check-off is mandatory and non-refundable. In 2000, 51.3 per cent of revenues were spent on professional fees.

The board employed one part-time administrator and a part-time manager in 2001.

Administrator

Through Order 283/2000 dated May 30, 2000, the Minister of Agriculture and Food transferred the powers of the Board to an independent administrator.

The Administrator was charged with the following tasks:

- carry out quota allocation, pricing and levy collection duties and procedures;
- implement the Memorandum of Understanding;
- resolve industry disputes; and
- explore with industry new decision-making structures that would reduce the conflict currently holding back industry progress.

Check-offs

The check-off revenues for the 1999-2000 fiscal were increased from $0.25 per breeder chick to $0.60 per breeder chick placed. The increase in the check-off level was used to cover increases in management salaries, legal fees, rent and manager travel. The organization continued to run a deficit in 2000.

At the beginning of 2000, 14 producers were registered with the Broiler Hatching Egg Producers Marketing Board. Of these, two transferred to broiler production, two removed themselves from the industry and one new producer was admitted.

Check-off Revenue

	2000	1999	1998	1997
Check-off revenue	$69,738	$26,075	$22,170	N/A

Research and Market Development

No research or market development activities were undertaken in 2000.

Extension

The University of Saskatchewan extension services are funded by the combined contribution from Saskatchewan's four poultry marketing agencies. Dr. William Audren, poultry extension specialist and Dr. Sandra Stephens, veterinarian, provided extension services to the boards. The service is supervised and administered by Dr. H. Classen (Animal & Poultry Sciences) and Dr. C. Riddell (Veterinary Pathology), reporting to the Research and Extension Committee.

The Board's assessment for the cost of extension services for 2000 was $5,630. Objectives of the program were to:

- monitor industry performance;
- identify and solve industry problems;
- investigate individual production problems;
- communicate advances in poultry production; and
- act as a liaison to individuals supplying feed, medication and equipment to the poultry industry.

Outlook for 2001

The demand for chicken by consumers is being spurred further this year by concerns about diseases affecting other livestock in many areas of the world. The Saskatchewan broiler breeder industry should grow in 2001 in response to this growth in consumer demand. The expected growth in broiler production and the resolution of the conversion issue is expected to lead to an increase in broiler breeder production.

In support of their new vision, producers are focussing increased attention on chick quality, education, communications, governance practices and social practices. They also indicated a willingness to work with the hatcheries, broiler producers, government, Agri-Food Council, the processor and suppliers.

Financial Status

The board was successful in submitting all financial statements except for the audited report on compliance with authorities.

1999-2000 Board of Directors

Victor Loewen, Chairperson, Waldheim
Ralph Isaac, Vice-Chairperson, Saskatoon
Tim Keet, Grandora (resigned in 2000)

Merv Slater, Manager

Summary of Financial Operations for the Year Ending December 31, 2000

		Budget 2000	Actual 2000	Actual 1999
Revenue				
	Levies	$69,000	$69,738	$26,075
	Interest and Other Income	0	865	5
	Licenses and memberships	190	215	190
Total		**$69,190**	**$70,818**	**$26,270**
Expenses				
	Administration	$56,249	$70,174	$38,621
	Director Meetings	5,000	3,676	17,486
	Other	0	0	0
Total		**$61,249**	**$73,850**	**$56,107**
Assets available for Research and Development				
	Research and Development	**$0**	**$0**	**$0**
	Market Development	**0**	**0**	**0**
	Extension	5,630	5,630	5,630
	Unallocated Surplus	2,311	(8,662)	(35,467)
Total		**$7,941**	**($3,032)**	**($29,837)**

Saskatchewan Canola Development Commission

212 – 111 Research Drive, Saskatoon, SK S7N 3R2
Phone: (306) 975-6621
Fax: (306) 975-0136
Email: amoe@saskcanola.com
www.saskcanola.com

The Commission's Vision

The Saskatchewan Canola Development Commission was established on February 6, 1991. Its vision is "Shaping Canola's Future for Producer Profitability".

Its mission is "To enhance canola producers' competitiveness and profitability through a producer led and controlled fund to support research, market development and extension activities."

Industry Issues

Global overproduction has led to the lowest price for canola in ten years. In an effort to increase demand for canola, the Commission is sponsoring research on alternate uses for canola, including industrial uses.

The subject of Genetically Modified Organisms (GMOs) has also been a key issue in the past year. The Commission believes that GMOs are beneficial, supports further research and development, and favours education efforts targeted to consumers on the benefits of GMOs.

Canola meal was also a topic of importance in the year. Scientists are developing a higher quality of canola meal. The Commission supports this research and hopes it will result in higher returns to producers.

Canola Production

Canola was seeded on approximately 5,850,000 acres in Saskatchewan in 2000. Gross revenue from canola, estimated at approximately $537 million, was the second highest of all crops seeded in Saskatchewan. The average yield was estimated at 24.8 bushels per acre, well above the 10-year average yield of 22.6 bushels per acre.

Administration and Finance

The Provincial Auditor annually examines the Commission's system of internal control, legislative compliance and financial systems. The Commission's board of directors and management are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records and preparing financial statements.

Thirty buyers registered with the Commission, each purchasing canola and submitting the levy. The Commission received $1,487,415 in check-offs and refunded $45,564 or approximately three per cent of the gross check-off. In accordance with the Commission's regulations, the check-off is $0.50 per tonne. Producers may request a refund of the check-off paid.

The Saskatchewan Canola Development Commission maintains two internally restricted funds with each fund approximating six months of levy collection. A general fund is to provide funds to complete projects in the event of a reduction of producer check-off fees and the refund fund is to provide refunds of check-off fees in the event the Commission is dissolved.

The Commission is also contracted to administer the levies of the Saskatchewan Pulse Growers and the Saskatchewan Flax Development Board.

The Commission employed five full time staff and contracted two consultants.

Check-offs

The check-off rate is $0.50 per tonne, unchanged from last year. There were approximately 60,000 producers registered with the Commission in 2000.

Check-off Revenue

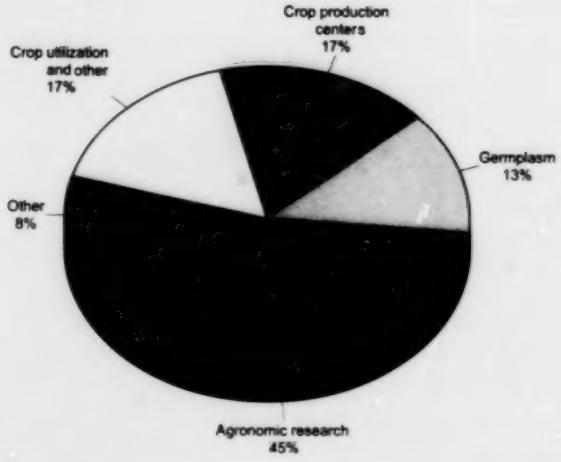
	2000	1999	1998	1997
Check-off revenue	$1,487,415	$1,376,008	$12,784,917	$1,048,491
Refunds	45,564	51,359	29,953	17,842
Total	**$1,441,851**	**$1,324,649**	**$1,248,964**	**$1,030,649**

Canodev Research Inc.

On July 25, 1994, the Saskatchewan Canola Development Commission incorporated a wholly-owned subsidiary, Canodev Research Inc. Originally structured for the purpose of qualifying for tax rebates under Revenue Canada's Scientific Research Experimental and Development Tax Incentive Program, Canodev administers and funds research and development projects. During 1999, Canodev's application for the refundable investment tax credit was denied by Revenue Canada. This has resulted in no refundable investment tax credit being recorded as revenue and no receivable being recorded in the current year.

Research Projects

The Commission invested $604,745 in research projects and crop production centres in 1999-2000. Approximately 46 projects received funding in 2000.



Market Development

The Canola Information Service (CIS) continued as the market development and promotion arm of the Saskatchewan Canola Development Commission. A total of $490,090 was invested in market development in the 1999-2000 fiscal year. CIS was involved with the following initiatives:

- developed technical handouts and resource materials for health professionals;
- represented the Commission at a number of conferences and trade shows;
- developed chef lesson plans, nutrition resources and baking recipe brochures;
- participated in Saskatchewan Bounty;
- participated in export projects; and
- maintained the Saskatchewan Canola Development Commission's website.

Extension

In 2000, the Commission engaged in a variety of extension projects. The Commission:

- sponsored an "Ag in the Classroom" teachers' workshop, a "Classroom Agriculture Resource Directory", and the "Lunch Kit for Growing Plants";
- published Canola Digest newsletter in co-operation with other organizations;
- organized an annual general meeting, Canola Days and a crop production show;
- sponsored Super Canola Days;
- sponsored field days;
- organized a canola integrated pest management program; and
- maintained and updated its website.

Outlook for 2001

The Commission will continue to research new opportunities that will create awareness and promote the canola industry through the Canola Information Service. In 2001, the Commission will focus on:

- trade shows throughout North America;
- field days;
- development of cookbooks and brochures;
- public education;
- development of a higher quality of canola meal; and
- researching industrial uses for canola.

Financial Status

The Saskatchewan Canola Development Commission was successful in meeting all of the financial reporting requirements of the Provincial Auditor and Saskatchewan Agriculture and Food during the 1999–2000 fiscal year.

1999-2000 Board of Directors

Raymond Wilfing, Chairperson, Meadow Lake
Zenneth Faye, Vice-Chairperson, Foam Lake
Barbara Podhorodeski, Treasurer, Shipman
Lorne Christopherson, Director, Weldon
Roger Kaeding, Director, Churchbridge
Michelle Fleury, Director, McKague
Kelvin Meadows, Director, Moose Jaw

Roy Button, Executive Director

Summary of Financial Operations for the Year Ending July 31, 2000

		Budget 2000	Actual 2000	Actual 1999
Revenue				
	Levies	$1,500,000	$1,487,415	$1,376,008
	Interest and Other Income	70,000	61,015	72,727
	Levy Central	52,000	67,074	44,844
	Canola Information Service	50,000	150,119	73,299
	Commercial Sales from R & D Projects	0	0	12,500
Total		**$1,672,000**	**$1,765,623**	**$1,579,378**
Expenses				
	Administration	$290,000	$276,083	$390,104
	Director Expenses	90,000	81,617	86,077
	Levy Refunds	75,000	45,564	51,359
	Canola Production Centre Grants	110,000	110,000	0
	Other	66,000	115,889	199,634
Total		**$631,000**	**$629,153**	**$727,174**
Assets available for Research and Development				
	Research and Development	$580,000	$494,745	$377,895
	Market Development	518,000	490,090	320,644
	Extension	147,000	86,627	98,524
	Unallocated Surplus	(204,000)	65,008	55,141
Total		**$1,041,000**	**$1,136,470**	**$852,204**

CHICKEN FARMERS OF SASKATCHEWAN

1810 - 9th Avenue N. Box 1637 Regina, SK S4P 3C4
Phone: (306) 775-1677
Fax: (306) 949-1353

THE BOARD'S OBJECTIVE

To improve and stabilize producer returns by managing product supplies and to ensure high quality, wholesome food is delivered to the consumer at a reasonable price.

INDUSTRY ISSUES

- In May of 2000, the powers of the Chicken Farmers of Saskatchewan board were transferred to an independent, government-appointed administrator to ensure industry expansion plans would be met.
- Producers voted 82 per cent in favour of the Memorandum of Understanding between the Chicken Farmers of Saskatchewan and the Agri-Food Council.
- Two auctions to sell quota rights to new entrants were conducted.
- An amended set of regulations was implemented.

CHICKEN PRODUCTION

There were 73 producer licenses issued at the beginning of 2000. The board approved two transfers in 2000, which involved a total of 100,153 kilograms per cycle, as compared to four transfers totaling 228,873 kilograms per cycle in 1999.

Chicken Production
1995 - 2000 Distribution of Quota Holders

Kg/annum	2000	1999	1998	1997	1996	1995
0 - 100,000		0	2	3	3	4
To 150,000		1	6	6	6	5
To 200,000		4	14	13	13	14
To 300,000		17	22	22	22	20
To 400,000		20	13	11	12	12
To 500,000	48	17	16	18	17	18
To 600,000	17	14				
To 700,000	6					
To 800,000	6					
To 900,000	3					
To 1,000,000	4					
Total Producers	84*	73	73	73	73	73

** 73 original producers, nine successful auction bidders (scheduled to begin production in periods A39 and A40) and two growers (BHE) by permit.*

The 2000 base quota for Saskatchewan was 5,496,906 kilograms per cycle. In 2000, Saskatchewan was in year two of the expansion agreement that will see the doubling of the industry.

Year	Number of Birds	Live Weight (kg)	Average Bird (kg)	Farm Gate Returns ($ Millions)
1990	10,033,071	19,177,256	1.91	$22.8
1991	9,952,326	19,078,803	1.92	21.5
1992	9,773,261	18,047,835	1.85	20.8
1993	10,817,451	19,916,486	1.84	23.2
1994	12,206,599	22,296,105	1.83	24.1
1995	11,381,794	20,927,375	1.84	18.11
1996	11,277,863	20,936,536	1.86	24.11
1997	12,049,705	21,809,966	1.81	27.22
1998	12,122,181	21,941,147	1.81	26.42
1999	14,601,629	26,539,949	1.81	29.68
2000	16,937,235	32,414,857	1.91	$36.47

In 2000, Chicken Farmers of Saskatchewan (CFS) implemented the auction process as described in the Memorandum of Understanding dated December 31,1999 for issuing new quota. Two auctions were held, the first issuing quota rights for 110,000 units per cycle to six new producers and the second issuing quota rights for 66,000 units per cycle to three new producers.

Auction I September 28, 2000 - Wynyard Civic Centre

Lot Number	Total Dollars	Quota Amount	Dollars/Bird
1	$330,000	22,000	$15
2	201,727.27	14,000	14.41
3	300,000	22,000	13.64
4	307,000	22,000	13.95
5	201,090.9	14,000	14.36
6	228,000	16,000	14.25
Total	**$1,567,818.17**	**$110,000**	**$14.25**

Auction II November 2, 2000 - Wynyard Civic Centre

Lot Number	Total Dollars	QuotaAmount	Dollars/Bird
1	$337,000	22,000	$15.32
2	348,000	22,000	15.81
3	380,000	22,000	17.27
Total	**$1,065,000**	**66,000**	**$16.14**

The funds raised from the auctions were placed in trust in order to distribute the proceeds. Eighty percent was placed in an investment fund with the remainder placed in a development fund. The investment fund is intended for larger projects that will attract increased processing or further processing to the province. The development fund is intended to finance small projects that will increase producer production and/or productivity. In order for the money to be spent, both the fund's board of directors and the trust fund board of directors must approve the projects.

CFS also had an agreement with the Saskatchewan Broiler Hatching Egg Producers Marketing Board that would see some hatching egg producers convert to broiler production. Under the terms of this agreement, the Saskatchewan Broiler Hatching Egg Producers Marketing Board accepted financial responsibility for 51,000 broiler quota units, providing for the removal of four producers from production and transferring two producers to broiler production. The two producers accepting CFS quota will begin production immediately.

Administration and Finance

CFS's system of internal control, legislative compliance and financial systems is examined annually by PriceWaterhouseCoopers. The board's directors are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records and preparing financial statements.

During the 2000 fiscal year, the board collected $305,931 in check-offs – an increase of approximately 22 per cent over last year. The increase in production is due to an agreement signed with the national organization, the Chicken Farmers of Canada, to double Saskatchewan's quota over a five-year period. In accordance with the Commission's regulations and orders, the check-off is $0.014 per kilogram of chicken marketed. The check-off is mandatory and non-refundable.

The Commission employed two full time staff in 2000.

Check-offs

Check-off revenues for the fiscal year ending December 31, 2000 were $305,931, up from the $251,093 collected in the previous fiscal year. In 2000, 84 producers were registered with CFS. Of these, 11 are scheduled to begin production in 2001.

Check-off Revenue

	2000	1999	1998	1997
Check-off revenue	$305,931	$251,093	$285,260	N/A

Administrator

By Order 282/2000 dated May 30, 2000, the Minister of Agriculture and Food transferred most of the powers of the board of the Chicken Farmers of Saskatchewan to an independent administrator.

The Administrator was charged with the following tasks:

- carry out quota allocation, pricing and levy collection duties and procedure;
- implement the Memorandum of Understanding;
- resolve industry disputes; and
- explore with industry new decision-making structures to reduce the conflict currently impeding industry progress.

Research Projects

The organization participated in a live-haul analysis project that began in 2000. The funding will be completed in 2001.

Market Development

The marketing activities in 2000 were unchanged from pervious years. They included:

- Saskatchewan Food and Wine Festival;
- Canadian Western Agribition; and
- sponsorship of the Heart and Stroke Association golf tournament fundraiser.

Extension

The Chicken Farmers of Saskatchewan participated in a joint project with Saskatchewan's other feather boards. The project was developed to assist producers in reaching their production potential. CFS's costs in 2000 for the project were $46,360, unchanged from 1999 costs.

Outlook for 2001

The organization will concentrate on the following issues in 2001:

- finalizing the Federal Provincial Agreement;
- fully implementing the OFFSAP program;
- establishing fund governance for the industry development and investment funds;
- increasing average slaughter at the Wynyard plant to 410,000 head per week;
- resolution of the breeder to broiler conversion issue; and
- development of a periodic monitoring and enforcement system.

Financial Status

The Commission was successful in meeting all of the financial reporting requirements of the Provincial Auditor and Saskatchewan Agriculture and Food during the 2000 fiscal year.

Board of Directors

(on December 31, 2000)

Charles Stueck, Chairperson, Abernathy
Nick Sloboshan, Vice-Chairperson, Vanscoy
Dean Sully, Yorkton
Nick Langelaar, Hague
Herb DeRuiter, Hepburn

Van Stewart, General Manager

Summary of Financial Operations for the Year Ending December 31, 2000

		Budget 2000	Actual 2000	Actual 1999
Revenue				
	Levies	$305,523	$305,931	$251,093
	Interest	0	1,488	1,487
	Other	0	0	145
	Penalties	18,233	1,023	36,644
Total		**$323,756**	**$308,442**	**$289,369**
Expenses				
	Administration	$183,100	$149,442	$159,493
	Director Per Diems	28,000	14,635	34,328
	Director Meetings	17,800	8,557	24,616
	Penalties	18,233	18,233	58,367
	Other	0	0	0
Total		**$255,633**	**$190,867**	**$276,804**
Assets available for Research and Development				
	Research and Development	$0	$0	$0
	Market Development	15,100	60,047	77,103
	Extension	46,000	46,360	46,360
	Unallocated Surplus	15,523	11,168	(110,898)
Total		**$68,123**	**$117,575**	**$12,565**

Saskatchewan Egg Producers

Box 1637, 1810 - 9th Avenue N, Regina, SK S4P 3C4
Phone: (306) 924-1505
Fax: (306) 924-1515

The Board's Objective

To improve and stabilize producer returns by managing product supplies and to ensure high quality, wholesome food is delivered to the consumer at a reasonable price.

Industry Issues

During 2000:

- Saskatchewan egg producers established a strategic plan;
- a national appeal was launched to challenge the allocation of "grow for" quota;
- the board received a 200,000 quota for processing eggs;
- the allocation of eggs for processing was made; and
- the "Start Clean – Stay Clean" program was certified.

Egg Production

There were 68 licensed producers at the end of 2000, a reduction of six from the previous year. This reduction in producers occurred during the same time that quota was increasing. The Board approved five transfers in 2000, which involved approximately 54,000 layers.

Egg Production
1995 - 2000 Distribution of Quota Holders

Flock Size	2000	1999	1998	1997	1996	1995
0 - 1,000	1	1	2	1	1	1
1,001 - 3,000	4	5	4	8	8	9
3,001 - 5,000	13	15	17	17	16	16
5,001 - 10,000	21	25	24	22	24	25
10,001 - 20,000	19	18	17	18	17	16
20,001 and over	10	10	11	10	10	10
Total Producers	68	74	75	76	76	77

The 2000 base quota for Saskatchewan was approximately 829,000 layers (an increase of approximately 1.6 per cent over 1999 levels), or approximately 4.1 per cent of the national total. Saskatchewan's egg industry is working with the government to increase this level as Canada's level of exports and industrial product continues to rise.

Total declarations for 2000 were 238,864 boxes (15 dozen eggs) — 11,316 boxes below budget, and 7,520 boxes fewer than the volume declared in 1999. In 1999, industrial production declaration totalled 246,384 boxes, up 38,392 boxes from 1998.

Licensed Producer Reported Marketings (dozen eggs)

Period	2000	1999	1998	1997	2000 Layer Inventory
1	1,146,609	1,398,423	1,377,898	1,363,219	759,921
2	1,384,228	1,373,296	1,304,546	1,345,525	755,551
3	1,400,035	1,371,493	1,299,696	1,360,154	764,820
4	1,462,486	1,424,215	1,351,346	1,390,519	768,230
5	1,462,203	1,364,271	1,407,801	1,363,822	774,399
6	1,444,940	1,420,638	1,439,468	1,460,346	774,942
7	1,460,412	1,414,383	1,403,354	1,377,683	773,400
8	1,492,476	1,470,579	1,362,451	1,384,925	778,183
9	1,425,637	1,522,830	1,477,720	1,414,076	778,827
10	1,440,004	1,466,743	1,379,538	1,316,077	778,267
11	1,436,287	1,391,551	1,381,717	1,275,515	780,293
12	1,470,123	1,531,915	1,421,707	1,412,244	779,827
13	1,769,900	1,486,921	1,428,199	1,329,266	779,861
Total	**19,074,340**	**18,637,258**	**18,035,441**	**17,793,371**	

Administration and Finance

The Board's system of internal control, legislative compliance and financial systems is examined annually by E.J.C. Dudley & Co. Directors are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records and preparing financial statements.

During the 2000 fiscal year, the board collected $382,956 in check-off – an increase of approximately 2.7 per cent over last year. The increase in production is due to an increase in demand from the processed egg market. Provinces across Canada are realizing increases in production because of this growing market. In accordance with the board's regulations and orders, the Saskatchewan and Canadian Egg Marketing Agency check-off is $0.235 per dozen eggs marketed. The check-off is mandatory and non-refundable.

The Board receives $0.0266 of this levy; $0.02 of this amount is used for administration and marketing and $0.0066 is used for the Surplus Removal Fund, providing additional funds to remove industrial product in the province that is not covered nationally.

The Board employed two full time staff in 2000.

Check-offs

Check-off revenues for the fiscal year ending December 31, 2000 were $382,956, up from the $372,745 collected in the previous fiscal year. The check-off of $0.235 per dozen eggs marketed is mandatory and non-refundable. In 2000, there were 68 producers registered with the Board.

Check-off Revenue

	2000	1999	1998	1997
Check-off revenue	$382,956	$372,745	$375,258	$369,953

Research Projects

The Board invested $47,441 in research projects in 2000.

Research Projects

	Value
Producers extension program	$34,510
Ozone research	8,200
U of S Research & studies	2,500
Salmonella survey	2,231
Total	**$47,441**

Market Development

The marketing activities in 2000 were unchanged from pervious years. These included:

- a festive season billboard campaign;
- attendance at the Canadian Western Agribition, with food sampling and livestock on hand; and
- a back-to-school program and recipe booklet were included in the "Crack Open a Meal" campaign.

Promotional Activities

During the year, the Board was:

- Key sponsor of the "Dial a Nutrition, Ask a Dietician" program in May 2000;
- provincial Holly sponsor of the Cameco Jingle Bell Run for Arthritis in Saskatchewan; and
- sponsored the Heart and Stroke Foundation's golf tournament.

Extension

The Board participated in a joint project with Saskatchewan's other feather boards. The project was developed to assist producers in reaching their production potential. The cost for the project in 2000 was $34,510, identical to the 1999 costs.

Outlook for 2001

Issues before the board in 2001 will include:

- updating the Federal-Provincial Agreement;
- considering a staff member for research and development;
- the issuance and production of Eggs for Processing; and
- *Salmonella* testing of pullet facilities.

Financial Status

The board was successful in submitting all required documents for the 2000 fiscal year.

Board of Directors

(on December 31, 2000)

Bert Harman, Chairperson, Saskatoon
Stan Fehr, Vice-Chairperson, Hague
Dan Entz, Gull Lake
Cliff Colborn, Delisle
David Hoffer, Lumsden
Tim Wiens, Regina

Dave Mackie, General Manager

Summary of Financial Operations for the Year Ending December 31, 2000

		Budget 2000	Actual 2000	Actual 1999
Revenue				
	Levies	$395,000	$382,956	$372,745
	Interest and other income	77,400	82,620	75,053
	Licenses	170	250	77
	Penalties	2,000	18,772	18,726
	Industrial Product Removal Program	131,100	175,498	78,050
Total		**$605,670**	**$660,096**	**$544,651**
Expenses				
	Administration	$130,800	$108,477	$111,570
	Director Per Diems	33,000	31,660	35,050
	Director Meetings	48,000	53,193	55,734
	Personnel	109,000	110,096	105,977
	Provincial Share of Levy	316,500	349,184	167,735
	Other	0	0	0
Total		**$637,300**	**$652,610**	**$476,066**
Assets available for Research and Development				
	Research and Development	$68,000	$47,441	$36,775
	Market Development	45,000	44,900	23,734
	Extension	35,000	0	0
	Unallocated Surplus	(179,630)	(84,855)	8,076
Total		**($31,630)**	**$7,486**	**$68,585**

Saskatchewan Flax Development Commission

A5A – 116 – 103rd Street East, Saskatoon, SK S7N 1Y7
Phone: (306) 664-1901
Fax: (306) 664-4404
Email: saskflax@saskflax.com
www.saskflax.com

The Commission's Mission

The Saskatchewan Flax Development Commission was established on April 16, 1996. Its mission is:

To promote and enhance flax production and value-adding processing of flax products in Saskatchewan for maximum return to producers through market research, leadership and communication in the industry.

The following long-term goals (by the year 2017) have been envisioned for the organization:

- to promote and support the value-added processing of all flaxseed and its products (flour, oil, meal, straw fibre) within Saskatchewan to increase returns to the producers;
- to achieve and sustain four million acres of flaxseed production in Saskatchewan, make a significant contribution to the Saskatchewan economy ($500 million annually) and add value to society through job creation;
- to be the leader in enhancing flax production and value-added processing in Saskatchewan through a strategic, integrated industry approach based on effective communication; and
- to generate maximum returns to the producers through research and marketing efforts.

Industry Issues

The management of flax straw, the investigation of flax fibre uses, and the development of strategies to increase the use of flax fibre from Saskatchewan flax production were key issues in 1999-2000.

Currently there is insufficient data on fibre/straw for standards development.

The industry also focused on the development of new products that use flax and on investigating industrial uses for flax.

Flax Production

Flax was seeded on approximately one million acres in Saskatchewan in 2000. This accounted for approximately 63 per cent of Canada's total flax production. The gross revenue from flax crops for Saskatchewan producers in 2000 is estimated at $65 million. The average yield was estimated at 19.5 bushel per acre (495 kg/acre) or approximately 480 thousand tonnes.

Administration and Finance

The Commission's system of internal control, legislative compliance and financial systems is examined annually by Merv Culham, CA. The Commission's board of directors is responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records and preparing financial statements.

During the 1999-2000 fiscal year, the Commission collected $579,178 in check-off and refunded $27,643, or approximately 4.7 per cent. This is an increase in levy refunds from approximately 3.3 per cent last year. In accordance with the Commission's regulations and orders, the check-off is $1.18 per tonne of flax seed and $0.50 per tonne of flax straw. Producers may request a refund of any or all of the check-off paid.

The Commission employs Food Focus Saskatoon Inc. to manage and operate the day-to-day affairs of the Commission and the Saskatchewan Canola Development Commission's Levy Central to collect the check-off.

Check-offs

The check-off rate is $1.18 per tonne of flax seed and $0.50 per tonne of flax straw. There were approximately 16,000 producers registered with the Commission in 2000.

Check-off Revenue

	2000	1999	1998	1997
Check-off revenue	$579,178	$591,863	$519,990	$345,857
Refunds	27,643	19,394	13,442	4,786
Total	**$551,535**	**$572,469**	**$506,548**	**$341,071**

Research Projects

The Commission was involved in and/or supported a number of research projects in the areas of agronomy, varietal development, human health and fibre. Research funding partners included Canadian Adaption and Rural Development in Saskatchewan (CARDS), the Agriculture Development Fund, the Matching Investments Initiative, and the Flax Council of Canada. Projects included:

- formulation and application of a biocontrol agent for control of Canada thistle in flax;
- evaluation of secoisolariciresonal diglucoside (SDG) isolated from flax seed in the prevention and treatment of type II diabetes mellitus;
- screening of Plant Gene Resources Canada flax germplasm collection for elevated SDG levels;
- chemical and functional characterization of hull and protein fractions prepared from flax/solin using novel separation processes;
- flax growth and development – understanding yield formation and the effects of critical stress periods on final grain yield;
- flax germplasm – characterization and screening for seed oil quality;
- evaluation of SDG isolated from flax seed for the prevention of high blood pressure;
- acquisition of Russian germplasm;
- flax and solin varieties for eastern Saskatchewan;
- development of the Haploid Breeding Centre;
- feasibility of non-woven flax straw mats;
- multiplication of and comparison of seed and fibre yielding ability of fibre flax varieties grow near Saskatoon;
- PGRC flax collection straw fibre content;
- phosphorus management as affected by tillage, preceding crop and residual phosphorus fertility;
- evaluation of flax fibre as a fibre reinforcement for concrete;
- influence of flaxseed on human tumour growth metastasis and recurrence;
- flax residual management without burning or removal;
- agronomic and molecular evaluation of flax from Canada and Russia;
- cellular basis for the cardio-protective action of flax; and
- effects of nitrogen fertilizer management on crop production in flax, canola and wheat and emissions of the greenhouse gas, nitrous oxide.

Market Development

In the 1999-2000 fiscal year, the Commission focused its market facilitation efforts on food, nutraceutical, feed and non-food markets.

The Commission was involved in:

- the Canadian Western Agribition "Taste of Saskatchewan" program;
- the Food and Wine Festival;
- Canola Camp;
- the creation of Saskatchewan Bounty, a commodity association created to promote primary agri-food products (as a founding member);
- seminars, conferences and trade shows with the hopes of further increasing the knowledge and use of flax products;
- continued partnership with the Saskatchewan Nutraceutical Network; and
- continued encouragement of the use of flax in animal feed.

Communication

The communications unit of the Commission engaged in the following activities:

- awarded the D.R. Jaques Graduate Scholarship for the investigation of flaxseed as a protective mechanism against stroke induced brain damage;
- hosted the Commission's second field day;
- participated in several oilseed meetings;
- Flax Day 2000 provided flax producers and industry representatives with market and research updates;
- increased the Commission's newsletter from two to three times per year;
- supported and encouraged agri-ed organizations;
- represented the interests of the industry at various meetings, seminars and conferences that dealt with issues such as transportation, varietal registration and agricultural residue burning; and
- participated in the Canadian Western Agribition and the Crop Production Show.

Outlook for 2001

The Commission anticipates:

- increased acreage in Saskatchewan as a result of reduced European production;
- increased co-operation with allied industry associations; and
- initiation of an action plan for research and development of a flax fibre strategy.

Financial Status

The Commission was successful in meeting all of the financial reporting requirements of the Provincial Auditor and Saskatchewan Agriculture and Food during the 1999-2000 fiscal year.

1999-2000 Board of Directors

Chris Hale, Chairperson, Rouleau
Ron Gilmour, Vice-Chairperson, Craik
Terry Boehm, Allan
William Farley, Regina
Barry Karol, Kelliher
Allen Kuhlman, Vanguard

Linda Braun, Executive Director, Saskatoon

Summary of Financial Operations for the Year Ending July 31, 2000

		Budget 2000	Actual 2000	Actual 1999
Revenue				
	Levies	$600,000	$579,178	$591,863
	Interest and Other Income	34,000	23,470	34,027
Total		**$634,000**	**$602,648**	**$625,890**
Expenses				
	Administration	$56,500	$56,613	$38,248
	Director Meetings & Per Diems	24,500	19,096	19,331
	Levy Refunds	25,000	27,643	19,394
	Levy Collection - Levy Central	19,000	17,900	18,900
Total		**$125,000**	**$121,252**	**$95,873**
Assets available for Research and Development				
	Research and Development	$234,000	$267,594	$197,096
	Market Development	129,000	85,299	59,255
	Communication	135,000	121,342	89,460
	Unallocated Surplus	11,000	7,161	184,206
Total		**$509,000**	**$481,396**	**$530,017**

Sask Pork

Bay 2, Main Floor, 502 – 45th Street West, Saskatoon, SK S7L 6H2
Phone: (306) 244-7752
Fax: (306) 244-1712

Sask Pork Mission

Sask Pork was established on April 6, 1998.

Its mission is:
To be a dynamic service provider to hog producers through promotion, communication programs, research initiatives and quality assurance, all directed at successfully producing competitive, high quality pork.

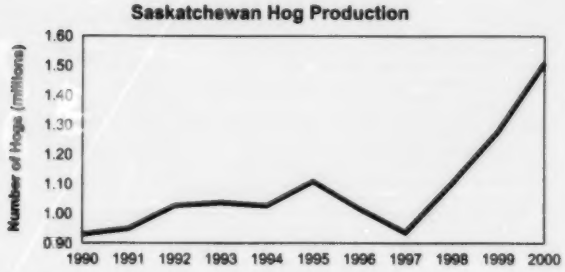
Industry Issues

Key issues in 2000 included:

- the Advisory Committee's research on a new governance structure;
- implementation of the Quality Assurance program;
- environmental standards and sustainability; and
- opportunities for industry growth and development.

Pork Production

There were 1,034 pork producers registered with Sask Pork at the end of 2000. Total provincial estimated pork production in 2000 was 1,508,833 hogs. Although pork production is realizing an increase, the number of producers in the province is approximately 36 per cent of 1995 levels. Estimated gross revenue for hogs in 2000 was $216 million, an increase of approximately 50 per cent over 1999 levels. Pork production has realized continuous growth over the past decade.



Saskatchewan's pork producers

1990	2,138	323	412	221	109	48	41	3,292
1991	1,804	294	410	214	103	42	48	2,915
1992	1,782	352	428	210	109	43	51	2,975
1993	1,757	309	394	203	101	44	55	2,863
1994	1,819	313	349	191	100	43	59	2,874
1995	1,850	228	332	188	94	44	65	2,801
1996	1,416	216	240	132	87	36	74	2,201
1997	994	150	167	124	74	79	73	1,611
1998	•	•	•	•	•	•	•	•
1999	763	115	152	89	51	35	69	1,274
2000	583	89	121	67	50	31	93	1,034

** 1998 data is not available*

Administration and Finance

Both Deloitte & Touche and the Provincial Auditor of Saskatchewan annually examine the board's system of internal control, legislative compliance and financial systems. The board's directors and management are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records and preparing financial statements.

During the 2000 fiscal year, the board collected $1,508,833 in check-offs. This is an increase of approximately 20 per cent over last year. In accordance with the board's regulations and orders, the check-off is $1 per hog marketed and is collected on all hogs raised in Saskatchewan. The check-off is mandatory and non-refundable.

The board employed 6.5 full-time staff in 2000.

Check-offs

The check-off rate is $1 per hog marketed, unchanged from last year. There were approximately 1,000 producers registered with Sask Pork in 2000.

Check-off Revenue

	2000	1999	1998	1997
Check-off revenue	$1,508,833	$1,261,026	$ 875,000*	N/A

** The 1998 fiscal year was from April to December*

Programs, Services and Associations

Sask Pork funds and/or administers the following:

- quality assurance;
- research initiatives;
- Pork Expo and Pork Industry Symposium (in partnership with Saskatchewan Agriculture and Food);
- Product Promotion;
- Canadian Pork Council;
- Canada Pork International;
- industry development;
- communications;
- funding opportunities; and
- community presentations.

Canadian Pork Council (CPC)

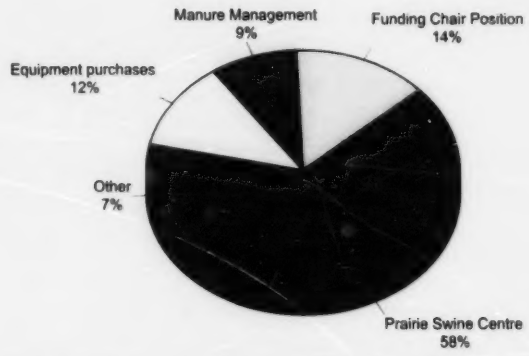
Sask Pork funds the Canadian Pork Council (CPC) at a rate of 9.5 cents per pig. In 2000, CPC funds were used for general office administration, trade access, export diversification, export promotion, nutrition and quality assurance.

Canada Pork International (CPI)

Canada Pork International (CPI) receives funding from check-offs at $0.01 per pig to provide producer and industry market development and international promotion of the pork industry. CPI is the international promotions agency for the pork industry.

Research Projects

Sask Pork has, through levy dollars and the Pork Industry Sustainability Fund, provided funding to researchers in areas that directly affect producers: profitability, herd health, production costs, occupational health and safety, manure management and the environment. During 2000, Sask Pork invested $646,909 in research projects and the Prairie Swine Centre. Approximately 14 projects received funding in 2000.



Quality Assurance

Sask Pork believes that Quality Assurance will be a mandatory program for all producers in the near future. As such, it has implemented a program to work with all Saskatchewan producers to ensure that they are successful in obtaining the quality assurance validation. At the end of 2000, the organization had delivered the program to 586 producers, assisting 91 to become validated. Currently, packers are designating the program as voluntary. Sask Pork believes that packers will, in response to market demand, require all producers to be validated by the fall of 2001.

Market Development

In 2000, Sask Pork launched a new industry communication program aimed at developing and delivering information items to foster public acceptance and understanding of the pork industry. In 2000, $286,703 was invested in market development initiatives, including:

- working with the National Health Check program to promote pork as a healthy part of today's diet;
- providing recipes and nutritional information;
- providing point-of-sale materials for consumers;
- participation in trade shows and in-store product demonstrations;
- distribution of nutritional information to all dieticians, nutritionists, and physicians in Saskatchewan; and
- participation at the Agri-Ed Showcase at Agribition.

Outlook for 2001

Sask Pork anticipates:

- hog production in Saskatchewan will grow by approximately 20 per cent;
- a large portion of the increase in production will be covered by contracts and forward pricing; and
- public understanding and acceptance of Saskatchewan's pork industry will increase.

Financial Status

The Provincial Auditor, in conjunction with Saskatchewan Agriculture & Food, had requested that all organizations reporting to the Agri-Food Council include specific financial documents in their annual report. Sask Pork was successful in including an audit report on financial statements, but failed to include and audit report on rules and procedures to control assets, an audit report on compliance with authorities and a comparison of actual results to planned results in its fiscal year 2000 submissions. The board included a partial list of payees.

Board of Directors

(on December 31, 2000)

Leon Lueke, Chairperson, Humboldt
Raymond Parent, Vice-Chairperson, Hoey
Jerry Pfiel, Second Vice-Chairperson, Humboldt
Walter Yates, Gull Lake
John Germs, Saskatoon
Don Netter, Regina
Neil Kettelson, Saskatoon

Jerome Warick, General Manager

Summary of Financial Operations for the Year Ending December 31, 2000

		Budget 2000	Actual 2000	Actual 1999
Revenue				
	Levies	*	$1,508,833	$1,261,026
	Conference Fees		147,099	146,720
	Government Grants		370,210	87,371
	Interest		27,124	9,400
	Other		**9,543**	**7,873**
Total			**$2,062,809**	**$1,512,390**
Expenses				
	Administration		$376,458	$311,073
	Conferences		140,562	140,388
	Director Expenses		117,541	100,301
	Governance Review		56,929	0
Total			**$691,490**	**$551,762**
Assets available for Research and Development				
	Research and Development		$660,899	$423,906
	Market Development		286,703	66,349
	Canada Pork Council		132,835	121,877
	Quality Assurance		114,943	97,136
	Extension		0	0
	Unallocated Surplus		175,939	251,360
Total			**$1,371,319**	**$960,628**

*** no budget provided**

Saskatchewan Pulse Growers

310 – 111 Research Drive, Saskatoon, SK S7N 3R2
Phone: (306) 668-5556
Fax: (306) 668-5557
Email: gpatterson@saskpulse.com
Web: www.saskpulse.com

Plan, Vision and Mission

The Saskatchewan Pulse Crop Development Plan was established in July of 1984. The general intent of the plan is to provide for the effective development of the Saskatchewan pulse crop industry. Its purposes include:

- promoting and developing the Saskatchewan pulse crop industry;
- developing procedures to maximize returns to producers;
- gathering, compiling and distributing information related to production, consumption and marketing of pulse crops;
- conducting and encouraging research on the production, marketing, processing and consumption of pulse crops; and
- promoting and improving communication amongst individuals and organizations within the pulse crop industry.

Vision Statement
The Saskatchewan pulse industry will be the world's preferred supplier of peas, lentils, chickpeas and beans.

Mission Statement
Our mission is to maximize grower profitability and sustainability.

- To provide innovative, professional and accountable leadership to our stakeholders, including producers, processors, exporters, researchers, governments and industry partners.
- To support pulse research and variety development.
- To influence relevant government policy and pulse industry practices.
- To liaise and cooperate with other stakeholders in national and international market development.
- To provide services and information to Saskatchewan growers to enhance their profitability.

Industry Issues

In 1999-2000, rapid industry growth put strain on all segments of the industry. Sask atchewan Pulse Growers took the lead in the establishment of Pulse Canada Research, the objective of which is to better utilize existing research dollars and attract new research funding.

Key issues identified during the year include:

- management of the domestic feed pulse marketing program, promoting peas in the diets of hogs and other livestock;
- greater involvement at the national level, including transportation, registration of varieties, grading, registration of chemicals, harmonization of chemical registration internationally, the development of the new International Bio-safety Protocol and other issues that impact on Saskatchewan pulse growers; and
- increasing federal and provincial funding for research, market development and other programs.

Pulse Production

Pulses were seeded on approximately 4.58 million acres in Saskatchewan in 2000. The gross revenue from pulse crops for Saskatchewan producers in 2000 is estimated at $900 million. The average yield varied between pulse crops and is estimated at approximately 543, 936 and 570 kilograms per acre of lentils, dry peas and chickpeas, respectively. Total pulse production for the 2000 crop year is estimated at 3.33 million tonnes.

Administration and Finance

The Board's system of internal control, legislative compliance and financial systems is examined annually by Hergott Duval Stack & Partners. Directors are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records and preparing financial statements.

During the 1999-2000 fiscal year, the board collected $2,408,818 in check-offs and had total revenues of $2,827,738. This is an increase of approximately 33 per cent over 1999 revenues. In accordance with the boards regulations and orders, the check-off is 0.5 per cent of the gross value of the pulses sold. Saskatchewan Pulse Growers is a development board under the Act so it does not refund levies to producers.

The Board employs the Saskatchewan Canola Development Commission's Levy Central to collect the check-off.

Check-offs

Check-off revenues for the fiscal year ending July 31, 2000 were $2,408,818, up from the $1,617,061 collected in the previous fiscal year. In 2000 there were approximately 16,000 producers registered with the Saskatchewan Pulse Growers.

Research

The Research and Development Committee approved funding of $982,270 in the 1999-2000 fiscal year, up from $674,030 in the previous year. Total research and development spending, including previously approved projects totalled $1,244,499. A total of 28 projects were funded in the 1999-2000 fiscal year. Sask Pulse continues to support research as a very integral component of a profitable and expanding pulse industry. The use of growers levy dollars to partner with federal and provincial research funds as well as the Western Grains Research Foundation, the University of Saskatchewan and other provincial pulse growers associations has given producers extra value.

Market Development

The objective of the Saskatchewan Pulse Growers Market Development Committee is to increase domestic opportunities for Saskatchewan grown pulses. The majority of the market development efforts continue to focus on international markets through the efforts of Pulse Canada. Last year, $366,259 (approximately 91 per cent of the market development budget) was allocated to Pulse Canada for export market development activities.

The Board's domestic efforts focused on increasing the use of feed peas in animal rations. The organization has been successful in promoting the use of feed peas in feed rations in western Canada, increasing the rations from 60 per cent to 80 per cent. Pulse growers now plan to focus more effort on increasing the feed pea usage in eastern Canada.

Extension and Communications

Sask atchewan Pulse Growers contributed $348,760 to its extension and communications budget in the 1999-2000 year, nearly double the 1998-1999 allocation. The activities of the committee included the following:

- rewrite of the Pulse Production Manual;
- continuation of the newsletter The Saskatchewan Pulse Grower with quarterly mail-outs;
- summer pulse tours;
- winter pulse workshops;
- maintenance of an internet website; and
- Pulse Days.

Variety Release

The Variety Release program has operated for four years. In 2000, the Board renewed an agreement with the Crop Development Centre (CDC), which gives Saskatchewan Pulse Growers the distribution rights for all CDC pulse varieties developed while the agreement is in place.

The new varieties released in 2000 include:

- CDC Diva Chickpea
- CDC Anna Chickpea
- CDC Nika Chickpea

Outlook for 2001

Saskatchewan's pulse industry is expecting growth of 10 to 15 per cent in 2001. Chickpeas will experience the strongest growth, possibly up to 50 per cent, as demand for Canadian product continues to be strong. Pea demand is also expected to increase by about 10 per cent due to increased feed opportunities both domestically and in Europe, as well as increased edible dry pea demand from south Asia. Lentil markets continue to be in turmoil due to problems in Turkey and an abundance of Canadian product. Grower prices are 25 per cent less than last year, which could result in reduced acreage in Saskatchewan. Dry beans are receiving increased attention by both researchers and growers, however acreage is expected to remain below 20,000 acres due to the lack of production technology and processing capacity.

The Saskatchewan Pulse board recently completed its sixth annual strategic planning session. Critical success factors that will receive increased attention from staff and board members include: transportation, expanded variety development, lack of available research resources, lack of crop protection products and expanded communication with stakeholders (growers, governments, industry, politicians, and the public).

Financial Status

The Provincial Auditor, in conjunction with Saskatchewan Agriculture and Food, requested that all organizations reporting to the Agri-Food Council include specific financial documents in their annual report. The Board included its audit report on financial statements in its annual report. The audit report on rules and procedures to control assets, the audit report on compliance with authorities, a comparison of actual results to planned results and a list of payees was submitted to the Agri-Food Council at a later date.

1999-2000 Board of Directors

Lyle Minogue, Chairperson, Lacadena
John Serhienko, Vice-Chairperson, Blaine Lake
Glen Annand, Mossbank
Shawn Buhr, Lucky Lake
Germain Dauk, Naicam
Ron Hundeby, Elbow
Don Meier, Star City

Garth Patterson, Executive Director, Saskatoon

Summary of Financial Operations for the Year Ending July 31, 2000

		Budget 2000	Actual 2000	Actual 1999
Revenue				
	Levies	$1,510,000	$2,408,818	$1,617,061
	Extension and Communication	100,000	148,374	90,887
	Market Development	6,650	10,243	2,880
	Research and Development	0	0	53,303
	Variety Release	280,000	126,634	258,401
	Interest	100,000	133,669	103,658
Total		**$1,996,650**	**$2,827,738**	**$2,126,190**
Expenses				
	Administration	$231,942	$317,882	$213,244
	Directors	139,450	173,340	136,624
Total		**$371,392**	**$491,222**	**$349,868**
Assets available for Research and Development				
	Research and Development	$1,200,000	$1,244,499	$674,030
	Market Development	442,500	402,083	285,815
	Extension & Communication	318,800	348,760	178,063
	Variety Release	272,500	259,469	313,636
	Unallocated Surplus	(608,542)	81,705	324,778
Total		**$1,625,258**	**$2,336,516**	**$1,776,322**

Saskatchewan Sheep Development Board

2213C Hanselman Court, Saskatoon, SK S7L 6A8
Phone: (306) 933-5200
Fax: (306) 933-7286
Email: sheepdb@sk.sympatico.ca
www3.sk.sympatico.ca/sksheep

The Board's Vision and Mission

The Saskatchewan Sheep Development Board was established on April 24, 1996.

Vision Statement
A sheep industry that is competitive and viable within sustainable agriculture, growing and responding to the global marketplace, offering alternative opportunities for production and processing, and access to diverse markets with producer and consumer support.

Mission Statement
To provide for the effective development of the Saskatchewan sheep industry and the promotion, regulation and marketing of sheep and sheep products.

Specific aims of the Board are:

- to coordinate and inform the industry on matters relating to the production and marketing of sheep and sheep products;
- to promote harmony and communication within the industry;
- to develop the potential of the industry through extension, development of the market and the promotion of sheep products; and
- to ensure the provision of services required for the profitable marketing of sheep products.

Industry Issues

The Board has identified a number of difficult issues affecting the operations of the Saskatchewan Sheep Development Board. These include:

- inadequate funding;
- the need for a federally-registered slaughter facility in Saskatchewan;
- the need to develop a value-added component to Saskatchewan's sheep production; and
- difficulties collecting the check-off.

Sheep Production

In September of 2000, there were approximately 53,277 registered breeding ewes on 1,191 registered farms. It is estimated that there are an additional 260 flocks that are not registered with the Board.

Administration and Finance

The Board's system of internal control, legislative compliance and financial systems is examined annually by Lorne Horning, CA. Directors are responsible for establishing and maintaining a system of internal controls, complying with applicable regulations, maintaining financial records and preparing financial statements.

During the 1999-2000 fiscal year, the board collected $45,730 in check-offs and had total revenues of $421,436. This is an increase of approximately 78 per cent over 1999 revenues. As a development board, it does not refund levies to producers. In accordance with the Board's regulations and orders, the check-off is $1 per sheep produced in Saskatchewan. Other revenues were derived from areas such as supply sales, seminars, handling and contributions.

The board is experiencing difficulty collecting check-offs on animals that move out-of-province for slaughter and processing. The board currently lacks a delegation of authority that would allow it to collect the check-off outside Saskatchewan. The board, along with Saskatchewan Agriculture and Food is working with the federal government to determine how to obtain that authority. However, achieving this delegation may not be successful, and the board may need to develop another method of ensuring that all check-off dollars are collected.

Check-offs

The check-off rate for 2000 was $1 per sheep marketed, unchanged from the previous year. Revenues for the fiscal year ending September 30, 2000 were $45,730, up from the $34,022 collected in the previous fiscal year. In 2000, 1,191 producers were registered with the board; an estimated 260 producers were not yet registered.

Check-off Revenue

	2000	1999	1998	1997
Check-off revenue	$45,730	$34,022	$29,530	N/A

Research

In the 1999-2000 fiscal year, the Board invested $17,850 in three research projects. The organization is continuing to look for projects that will add value to the producers' product.

Research Project

	Investment
Bone Oil Coyote Repellent Project	$9,200
National ID program	6,393
Guard Dog Project	2,257
Total	**$17,850**

Market Development

The Board is working to create value added products and increase consumption of Saskatchewan sheep and lamb products. The organization is:

- working to develop more sheep feedlots in Saskatchewan;
- researching value-added opportunities for provincial producers;
- implementing "Lamb Meat" promotion projects; and
- working with retail outlets to promote "Saskatchewan Lamb."

Extension and Communications

The Board contributed $50,656 to extension projects in 2000, approximately half of the 1999 contributions.

Activities for the 2000 fiscal year included:

- strategy project;
- producer seminars:
  - *Lambing Time Management*
  - *Butchering for the Home Freezer*
  - *Nutrition and Feeding*
  - *Carcass Evaluation*
  - *Sheep Economics*
  - *Getting Started in Sheep*;
- predation project;
- Agribition; and
- Saskatchewan 4-H projects.

Outlook for 2001

The Saskatchewan Sheep Development Board is very positive about the upcoming years. Sheep production, the board believes, is a low cost method of diversifying a farming economy and can provide good returns. Sheep producers have an opportunity to increase production but must adhere to the wishes of the market. Concerns that the province does not have a processing plant must be investigated. Developing such a processing plant in the province will require that all producers work together.

Financial Status

The Board was successful in meeting all of the financial reporting requirements of the Provincial Auditor and Saskatchewan Agriculture and Food during the 1999-2000 fiscal year.

Board of Directors

(fiscal year ending September 30, 2000)

Harry Harder, Chairperson, Clavet
Niall Campbell, Bjorkdale
Rex Furgeson, Maple Creek
Patrick Roche, Estavan
Beverly Davis, Lashburn

Gord Schroeder, Executive Director, Saskatoon

Summary of Financial Operations for the Year Ending September 30, 2000

		Budget 2000	Actual 2000	Actual 1999
Revenue				
	Levies	$60,000	$45,730	$34,022
	Supply Sales	91,000	110,712	78,505
	Contributions	85,000		
	Saskatchewan Govt		191,500	65,500
	Canadian Adaptation Fund		11,126	0
	Pasture Fees	0	29,645	22,215
	Other	59,500	32,723	36,989
Total		**$295,500**	**$421,436**	**$237,231**
Expenses				
	Administration	$194,000	$134,527	$120,761
	Director Meetings	14,000	10,536	4,216
	Supply Cost of Sales	60,000	85,079	58,998
	Pasture Operations	0	18,322	15,827
Total		**$268,000**	**$248,464**	**$199,802**
Assets available for Research and Development				
	Research and Development	$10,000	$17,850	$10,000
	Market Development	15,000	0	0
	Extension	2,500	50,656	112,594
	Unallocated Surplus	0	104,466	(85,165)
Total		**$27,500**	**$172,972**	**$37,429**

Saskatchewan Turkey Producers' Marketing Board

502 - 45th St. West, Saskatoon SK S7L 6H2
Phone: (306) 931-1050
Fax: (306) 931-2825

The Board's Objective

To improve and stabilize producer returns.

Industry Issues

Key issues in 2000 included:

- increasing energy and feed prices;
- the general slow-down in the economy;
- concerns that increasing provincial chicken production may lead to more turkey being shipped to Alberta for slaughter/processing; and
- producers are realizing a declining number of Grade "A" birds.

Turkey Production

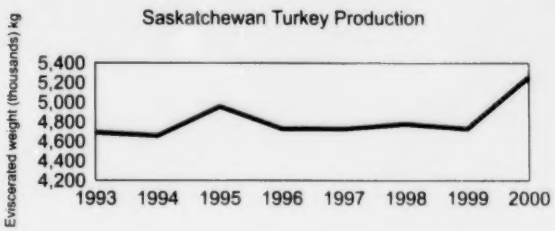
Turkey production in Saskatchewan totalled 6.1 million kilograms live weight in 2000. There were 20 producers licensed with Sask Turkey at the end of 2000. The board approved four transfers in 2000, which involved in excess of 400,000 kilograms per cycle, as compared to four transfers totalling 228,873 kilograms per cycle in 1999.

Turkey Production
1995 - 2000 Distribution of Quota Holders

Kg/annum	2000	1999	1998	1997	1996	1995
0 - 100,000	1	5	6	6	4	3
To 150,000	5	8	8	*	*	*
To 200,000	4	3	4	12	13	14
To 300,000	5	4	4	4	4	5
To 400,000	0	0	0	0	1	1
Over 400,000	5	4	4	4	3	3
Total Producers	20	24	26	26	25	26

**Stats for 1995-1997 only included a breakdown of producers between 100,001 kg and 200,000 kg*

Total Canadian production for 2000 reached one of its highest levels, totalling in excess of 151 million kilograms. Even so, the industry has not been successful in increasing consumption to the level desired; this has resulted in increasing storage stocks and tentatively setting 2001 production levels at 131 million kilograms — approximately 86 per cent of 2000 levels. This will most likely lead to a decline in Saskatchewan's turkey quota for 2001.



During 2000, only one price change was negotiated, realizing a $0.01/kg increase in all categories of production. In a breakdown of marketing, hen production increased seven per cent, broilers decreased three per cent and toms decreased four per cent.

Saskatchewan turkey producers are concerned that increasing chicken production in Saskatchewan may lead to less processing time at the Wynyard plant, meaning that an increased percent of Saskatchewan's turkey slaughter could be transferred to Alberta.

Administration and Finance

The Board's system of internal control, legislative compliance and financial systems is examined annually by Hergott Duval Stack & Partners. Directors and the management team are responsible for establishing and maintaining a system of internal controls, complying with applicable regulations, maintaining financial records and preparing financial statements.

During the 2000 fiscal year, the board collected $254,005 in check-offs: $111,268 in provincial levies, $80,677 in national levies and $62,060 in generic marketing funds. This is an increase of approximately 16 per cent over last year. In accordance with the board's regulations and orders, the check-off is $0.036 per kilogram of turkey marketed. The check-off is mandatory and non-refundable.

The board employed one full time staff member in 2000.

Check-offs

The check-off rate was $0.036 per kilogram, unchanged from last year. There were 20 producers registered with the Board in 2000.

Check-off Revenue

	2000	1999	1998	1997
Check-off revenue	$254,005	$217,154	$168,644	N/A

Market Development

Marketing and promotional activities in 2000 were similar to those in 1999. The agency worked with the national turkey organization on Turkey Tuesdays and the Generic Marketing Program. The goal of the current marketing activities is to increase consumption from the current per capita levels of approximately 4.1 kilograms to 6.3 kilograms in 2003. The program has realized a slight increase in disappearance, with total Canadian production reaching in excess of 151 million kilograms in 2000, an increase of approximately nine per cent over 1999. The turkey industry has also realized a movement from whole to cut-up and processed product.
Provincially, the Board has continued to maintain strategic alliances and use various mediums for advertising, including print advertisements, brochure development, in-store-demo campaigns, sponsorships and sponsorship of fund-raising programs.

Extension

The Board participated in a joint project with Saskatchewan's other feather boards. The project was developed to assist producers in reaching their production potential. The cost to Saskatchewan Turkey Producers' Marketing Board for the project in 2000 was $8,376, almost identical to 1999 costs.

Outlook for 2001

Saskatchewan's turkey producers are optimistic 2001 will be a good year for the turkey industry. The industry is concentrating on reducing stocks from the higher levels in 2000. Efforts to increase consumption are also being made, as the National Generic Marketing Program enters its third year. Television, radio and print advertising, along with an in-store promotion campaign planned for June will be used in an attempt to better market turkey in Canada.

Provincially, the organization is concerned with the increasing number of turkeys being shipped to Edmonton for slaughter and processing. The long distance hauling could cause the grades of Saskatchewan produced product to drop. A newly formed provincial Quality Assurance Committee is looking into potential solutions.

Financial Status

The Provincial Auditor, in conjunction with Saskatchewan Agriculture and Food, requested that all organizations reporting to the Agri-Food Council include specific financial documents in their annual report. Sask Turkey was successful in submitting the audited report on financial statements, but failed to include the other documents in its 2000 annual report.

Summary of Financial Operations for the Year Ending December 31, 2000

		Budget 2000	Actual 2000	Actual 1999
Revenue				
	Levies	*	$254,005	$217,154
	Interest		2,630	1,401
	Other		29,836	25,282
Total			**$286,471**	**$243,837**
Expenses				
	Administration		63,748	$61,880
	CTMA Levy		80,677	71,336
	Director Meetings		10,313	12,034
	Generic Marketing funds		62,060	56,093
	Other		0	0
Total			**$216,798**	**$201,343**
Assets available for Research and Development				
	Research and Development		$0	$0
	Market Development		32,688	43,519
	Extension		8,376	8,347
	Unallocated Surplus		28,609	(9,372)
Total			**$69,673**	**$42,494**

*** no budget provided**

Board of Directors
(on December 31, 2000)

Dennis Billo, Chairperson, Bruno
Jack Rynsburger, Vice-Chairperson, Melville
Wayne Goodsman, Stalwart
Bev Rosher, Langham
Art Schmidt, Dalmeny

Rose Olsen, Manager

National Activities

National Marketing Activities

The Saskatchewan Agri-Food Council is a signatory to three federal-provincial agreements. These agreements provide the basis for operation of national marketing agencies for chicken, turkey and eggs. National agencies are essentially producer-driven supply management organizations with representation from downstream sectors. The primary mandate of the national agencies is to manage the supply of primary poultry products across Canada. Saskatchewan is a member of the Chicken Farmers of Canada, the Canadian Egg Marketing Agency and the Canadian Turkey Marketing Agency. Saskatchewan is not a member or signatory to the Canadian Broiler Hatching Egg Producers' Marketing Agency.

Each national agency allocates a Canadian quota among participating provincial commodity boards, which in turn allocate their provincial allotments to individual producers within provincial boundaries. The national agencies target production to meet market demand at a price that covers the average producer's cost of production plus a reasonable return on investment.

As a signatory to each of the federal-provincial agreements, the Agri-Food Council is responsible for participating in matters relating to monitoring the operation of national marketing systems and participating in activities to improve their performance. Other than the National Association of Agri-Food Supervisory Agencies activity outlined in the next section, no changes were proposed to any of the federal-provincial agreements in 2000, and no signatory meetings were required.

The Saskatchewan Agri-Food Council continued to cooperate with the other supervisory agencies to ensure steady progress was made in updating regulatory frameworks. The Agri-Food Council also assists the National Farm Products Council (its counterpart at the national level) in its primary role as supervisor of the national marketing agencies.

The agencies continue to refine their operating agreements to meet the challenges of evolving national and international markets. However, as the next round of World Trade Organization negotiations approaches, pressure is mounting to ensure that the operations of national agencies are properly housed within the regulatory framework of the federal-provincial agreements. The Agri-Food Council responds to this challenge through participation in the National Association of Agricultural Supervisory Agencies.

National Association of Agricultural Supervisory Agencies

Saskatchewan continued its active membership in National Association of Agricultural Supervisory Agencies in 2000.

Their mandate is:
To assist the agri-food industry by sharing information, providing direction and supporting an environment that promotes its development and prosperity.

In 2000, the Agri-Food Council continued to participate in a process initiated by Provincial and Territorial Ministers of Agriculture in 1998 to renew the federal-provincial agreements. In 1998, Ministers directed the Association to lead the renewal process to update and modernize the four poultry federal-provincial agreements. The individual agencies have taken the role of drafting new operating agreements under the federal-provincial agreements structure. The Association and the national agencies remain committed to the process and expect new agreements to be in place in the near future.